

CALIFORNIA APPRENTICESHIP COUNCIL

www.dir.ca.gov

455 Golden Gate Avenue, 10th Floor

San Francisco, CA 94102

Tel: (415) 703-4920

Fax: (415) 703-5477



ADDRESS REPLY TO:
California Apprenticeship Council
P. O. Box 420603
San Francisco, CA 94142-0603

STANDARDS, RULES, REGULATIONS & OPERATING PROCEDURES COMMITTEE MEETING

MINUTES

Thursday – October 28, 2010 9:30 a.m.

I. Call To Order/ Roll Call

CAC Chairperson Aram Hodess called the meeting to order at 9:30 a.m.

Members present: Aram Hodess, Les DenHerder, Donna Bechthold, Jack Buckhorn, Pat McGinn, Carl Goff, Anne Quick, and Glen Forman,

Members absent: Wayne Lindholm and Neil Struthers

A quorum was met.

II. Review/Approval of the minutes of July 29, 2010

It was moved and seconded to approve the July 29, 2010 minutes. All were in favor.
The motion carried.

III. Recommendation to revise DAS142 forms

- It was proposed that the DAS 142 form be revised to include the project name and address. After brief discussion, Chief Forman agreed to modify the form to include this information by the end of November.

IV. Ways to ensure the payment of fringe benefit contributions on behalf of dispatched apprentices.

- There was discussion over ways to insure that the employers pay the fringe benefits of dispatched apprentices rather than paying the entire prevailing wage on the check. Some programs are unconditionally dispatching apprentices, regardless of whether the employer agrees to pay fringes. Others require employers to agree to sign subscription agreements. It was generally agreed by attorneys present that ERISA pre-empted the State taking action in this area.
- Non-signatory Employers need to be assured that paying apprentice fringe benefits does not expose the employer to either withdrawal liability or a problem with annualization. Subscription agreements may be modified to make clear that paying apprentice fringes does not make the employer signatory and does not open the employer to unrestricted audits.
- Employers who refuse to pay apprentice fringes may reconsider once it is made clear that a program will unconditionally dispatch apprentices. It is important to

explain to employers the financial benefits of paying fringes, which are non-taxable.

V. New Business

- Lucy Wang, Attorney General's Office reported that proposed regulations pertaining to Minimum Dispatch Hours had been referred to OAL and that public hearings would take place in December.
- Commissioner Quick asked Chief Forman for clarification on whether dispatch rules for Local 3 Operating Engineers and Northern California Operator or laborer programs. Chief Forman explained that the Standards for these two union programs allowed employers not to hire apprentices unless the contractor employed at least 5 journeymen on a project. Chief Forman said that this exemption only applied to those union employers working under a CBA with Local 3 or the Northern California Laborers. Chief Forman will post a clarification on the DAS website to this effect by November 5, 2010.

VI. Adjournment

- There was no further business. Chairman Hodess adjourned the meeting at 10:30 A.M.